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Electronically Recorded

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DALE PROPERTY SERVICES, LLC ATTN: RECORDING TEAM 500 TAYOLR ST. STE 600 FORT WORTH, TEXAS 76102

Submitter: DALE PROPERTY SERVICES, LLC

MARY LOUISE GARCIA TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE **100 WEST WEATHERFORD** FORT WORTH, TX 76196-0401

DO NOT DESTROY

WARNING - THIS IS PART OF THE OFFICAL RECORD

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NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE W/ OPTION v. 5

PAID UP OIL AND GAS LEASE

Electronically Recorded Chasaneake Operating Inc

(No Surface Use)	oncoupou.	no oporoung, mo.
THIS LEASE AGREEMENT is made this 8 day of MANCH	_, 2011, by	y and between whose address
is 54 9 BJACKMOVE AVE FOVE WOVEL, TCKMS CHESAPEAKE EXPLORATION, L.L.C. AN OKLAHOMA LIMITED LIABILITY COMPANY, whose address is P.O. Box 18496, Okla as Lessee. All printed portions of this lease were prepared by the party persistence.		_, as Lessor, and
as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (included provisions of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusional, hereinafter called leased premises:	iding the comple	etion of blank spaces)
AN ADDITION TO THE CITY OF FORT WORTH, TARRANT COUNTY, TEXAS, ACCORDING TO THAT IN VOLUME 63 , PAGE 40 OF THE PLAT RECORDS OF TARRANT COUNTY,	Av Kwyte CERTAIN PL TEXAS.	AT RECORDED
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in the county of TARRANT, State of TEXAS, containing _______ gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.

- 2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of Three (3) years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.
- effect pursuant to the provisions hereof.

 3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be Twenty Five Percent (25)% of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchases the production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field (or if there is no such price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; (b) for gas (including casing head gas) and all other substances covered hereby, the royalty shall be Twenty Five Percent (25)% of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same of nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or more wells on the leased premises or lands pooled therewith are capable of either production there from is not being sold by Lessee, such payment to be made to Lessor or to Lessor's credit in the depository designated below, on or before the end of said 90-day period and thereafter on or before each annive
- 4. All shut-in royalty payments under this lease shall be paid or tendered to Lessor's credit in <u>at lessor's address above</u> or its successors, which shall be Lessor's depository agent for receiving payments regardless of changes in the ownership of said land. All payments or tenders may be made in currency, or by check or by draft and such payments or tenders to Lessor or to the depository by deposit in the US Mails in a stamped envelope addressed to the depository or to the Lessor at the last address known to Lessee shall constitute proper payment. If the depository should liquidate or be succeeded by another institution, or for any reason fail or refuse to accept payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another institution as depository agent to receive
- payments.

 5. Except as provided for in Paragraph 3. above, if Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event this lease is not otherwise being maintained in force it shall nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the leased premises or lands pooled therewith within 90 days after completion of operations on such dry hole or within 90 days after such cessation of all production. If at the end of the primary term, or at any time thereafter, this lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations reasonably calculated to obtain or restore production there from, this lease shall remain in force so long as any one or more of such operations are prosecuted with no cessation of more than 90 consecutive days, and if any such operations result in the production of oil or gas or other substances covered hereby, as long thereafter as there is production in paying quantities from the leased premises or lands pooled therewith. After completion of a well capable of producing in paying quantities hereunder, Lessee shall drill such additional wells on the leased premises or lands pooled therewith, or (b) to protect the leased premises from uncompensated drainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.
- to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or lands pooled therewith, or (b) to protect the leased premises from uncompensated drainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

 6. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and a part of 10%, and for a gas well or a horizontal completion shall not exceed 840 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or plants are prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well shall have the meaning prescribed paying prescribed or paying the production is so prescribed, "oil well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on 24-hour production test conducted under normal producing conditions using standard leases appearat

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- 8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's after Lessee hereunder, and no change in ownership shall be brighted the obsided or duty authorizated applies of the decimal or cathering and to change in the parties of the decimal or cathering and to decimal or cathering and the obsided or duty authorizated applies of the decimal or cathering and the ca ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or hereunder. Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter Lessee with respect to the transferred interest, and failure of the transferse to satisfy such obligations with respect to the transferred interest shall not affect the rights of pay or tender shuf-in royalties hereunder shall be divided between Lessee and the transferree in proportion to the net acreage interest in this lease then held by each. The area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest in less than all of the area covered hereby. Lessee's obligation to pay or tender shuf-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each. The area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released in accordance with the net acreage interest retained hereunder.

 10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in
- the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released if Lessee releases ail or an undivided interest in least han all of the area covered hereby. Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hastung oil, gas and other substances covered hereby on the leased premises or lands pooled or untitized herewith, in primary and/or enhanced recovery, Lessee shall have their pit of ingress and egress along with the right to conduct such operations on the leased premises as may be tanks, water wells, disposal wells, injection wells, price in the proposal of the production of the construction and use of roads, canals, picelines, sower stanks, water wells, disposal wells, injection wells, price in the proposal interest production. Lessee may use in such exploring developing, production. Lessee may use in such exploring, developing, productions, the contract of the construction and use of roads, canals, picelines solve, treat and/or transport production. Lessee may use in such advantages of the contract of the substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, production and payly (a) to the entire leased premises described in Paragraph in ago in marketing from the leased premises or lands pooled therewith. When the ancillary rights granted other lands in which Lessor now or hereafter has authority to grant such rights in the contract of the leased premises or lands pooled therewith. When requested by Lessor in premises or other leased premises or such other leases premises or such other leases premises or such development and materials, including well casing, from the leases of premises or lands pooled therewith, when requested by Lessor in premises or other leases or such other leases, when the production or other leases or such other leases, whe

- Notwithstanding anything contained to the contrary in this lease. Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations.
- 17. Lessor, and their successors and assigns, hereby grants Lessee an option to extend the primary term of this lease for an additional period of Two (2) years from the end of the primary term by paying or tendering to Lessor prior to the end of the primary term the same bonus consideration, terms and conditions as granted for this lease.

 18. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

 DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's

devisees, executors, auministrators, successors and assigns, whether or not t	his lease has been executed by all parties hereinabove named as Lessor.		
OR (WHETHER ONE OR MORE)			
Signature: Mathe Sychnson	Signature:		
Printed Name: MATTES DONN 50N	Printed Name		
ACKNOWLEDGMENT			
STATE OF <u>TEXAS</u>			
COUNTY OF TARRANT This instrument was acknowledged before me on the	day of MARCH, 2011, by MAHIES, Johnson, A Single Person		
principal and the second secon	TEN SOM		
JOS N. SCOTT Notary in all of State of Texas Notary in all of State of Texas	Notary Public, State of Texas Notary's name (printed) Notary's commission of prisonners.		
Minns .	JOE N. SCOTT Notary Public, State of Texas My Commission Expires		
ACKNOT	WLEDGMENT February 24, 2015		
STATE OF TEXAS			
COUNTY OF TARRANT This instrument was acknowledged before me on the	they of 2044 his		
	, 2011, by		

Notary Public, State of Texas